Introductory Statement by Dr. Joan Clos, Executive Director

Quarterly Report on the Financial Status of UN-Habitat

Agenda Item 7

HSP/CPR/42/7
Nairobi, 7 September 2011
Madam Chair,
Excellencies,
and Distinguished Delegates,

Allow me now to provide you with a brief summary of the financial situation of UN-Habitat for the biennium 2010-2011 as of July 2011, as reflected in the document titled “Financial Status, July 2011” that has been circulated to you.

The total income received during the first seven months of this year amounts to US$166.2 million. Of this amount, US$10.8 million is the Regular Budget allotment, US$11 million is towards the Foundation general purpose and US$144.4 million is for Foundation and Technical Cooperation earmarked project activities. This income is 30% above the level of resources received during the first seven months of 2010, mainly due to the 35% increase in the earmarked contributions received.

The general purpose income for 2011 is still projected at US$15.8 million, in view of the unpredictable global economic climate. The confirmed general purpose pledges received for the first seven months amount to US$11 million. As reported to the CPR members last June, with the projected shortfall in the general purpose income, we have instituted various cost control and management measures, including a moratorium on recruitment; reduction in the use of consultants, travel, general operating expenditures and procurement of furniture and equipment. As reflected in the financial report before you, the Foundation general purpose allotment for the biennium 2010-2011 has been revised downwards to US$38.9 million, thereby aligning the expenditure allotment with the revised income forecast. Through these initiatives UN-Habitat is working towards doing more with less.

To manage resources more efficiently, measure performance more effectively and improve overall productivity, a Project Based Solution is being implemented to complement our existing systems. At the same time, the organizational review is almost at the final stage of completion.

Distinguished delegates,

I wish to acknowledge with sincere gratitude the pledges and contributions received since the last financial report, from the Governments of Chile, Finland, Israel, Norway, Sri Lanka, Sweden, Tanzania, Tunisia and the United States of America.

Excellencies, you will note, from Annex C of the distributed report, that as at 31 July 2011, the programme had received earmarked contributions totaling US$144.4 million towards specific projects and activities from governments, UN Agencies, various public and private organizations. 46% of the earmarked resources are towards MTSIP focus area 3 “Pro-poor land and housing”, while 30% are towards MTSIP focus area 4 “Environmentally-sound and affordable urban infrastructure and services”.

Excellencies, allow me to record my appreciation to all the governments and various organizations in both the public and private sectors who have continued to partner with UN-
Habitat to provide the much needed support, especially towards on-going post-conflict, post-disaster and poverty alleviation efforts in Afghanistan, Haiti, Pakistan, Somalia and Sri Lanka.

Madam Chair, Excellencies and Distinguished Delegates, this concludes my introduction to this agenda item and I thank you for your kind attention.